

MINUTES
MEETING OF THE BOARD OF DIRECTORS
OPERATIONS & SAFETY COMMITTEE
METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

February 28, 2019

The Board of Directors Operations & Safety Committee met on February 28, 2019 at 10:59 a.m. in the Board Room on the 6th Floor of the MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia.

Board Members Present

Roberta Abdul-Salaam
Robert F. Dallas, Chair
Frederick L. Daniels, Jr.
William 'Bill' Floyd
Freda B. Hardage
John 'Al' Pond

MARTA officials in attendance were: General Manager/ CEO Jeffrey A. Parker; C-Suite Team Members Chief Administrative Officer Luz Borrero, Chief of System Safety, Security, & Emergency Management/Police Wanda Dunham, Chief Financial Officer Gordon L. Hutchinson, Chief of Staff Melissa Mullinax, Chief Counsel Elizabeth O'Neill and Chief of Capital Programs, Planning & Innovation Franklin Rucker; AGMs Elayne Berry, LaShanda Dawkins, Benjamin Limmer, Emil Tzanov and Tom Young (Interim); Executive Director Paula Nash (Interim); Senior Directors John Cochran (Acting) and Lyle Harris (Contractor); Directors Onyinye Akujuo, Jacqueline Holland (Acting), Jonathan Hunt and Sherrie Johnson; Managers Jacqueline Bentley and Jim Robinson; Sr. Executive Administrators Karen Harper and Ashanti Boothe. Others in attendance Adrien Carter and Akio Turner.

Also in attendance Stephan L. Gresham of GTS, Helen McSwain of Rohadfox, Megan Morello and Rich Polich of GDS, Trey Paris of TE Decisions and Jim Schmid of NNTB.

Approval of the November 28, 2018 Operations & Safety Committee Meeting Minutes

On motion by Mrs. Hardage seconded by Ms. Abdul-Salaam, the minutes were unanimously approved by a vote of 6 to 0, with 6 members present.

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Briefing – Bus Maintenance Mid-life Program

Mr. Taylor presented an overview of the bus maintenance mid-life program.

From 2013 – 2015, New Flyer built and provided 265 fleet buses and ten (10) swing buses to the Authority. Due to an increase in defects, New Flyer has agreed to repair the buses through a commitment memo.

Currently the buses have reached the mid-life mileage life span. The average useful life is approximately twelve (12) years or 500,000 miles. Mid-life term is conducted at 250,000 miles or six (6) years. MARTA averages approximately 60,000 miles annually on fleet buses, which means the mid-life term will occur sooner than expected.

Bus Maintenance is working with the Planning Department to develop a plan which will reduce annual mileage. Once the buses reach 900,000 miles or the ten (10) year mark, MARTA will issue an extended life program. This program will allow time to complete engine transmission work and replace necessary components extending the equipment to the twelve (12) year life-span.

In addition to replacing the engine and key components, the mid-life contract will handle the exterior and interior components of the vehicles. This will allow MARTA to have safe reliable vehicles and increase customer satisfaction.

Resolution Authorizing Award of a Contract for the Procurement of Bus Transmissions, IFB B42010

Mr. Taylor presented this resolution authorizing the General Manager/ CEO or his delegate to enter into a contract for the procurement of Bus Transmissions with W.W. Williams Company, LLC for a four-year (4) base term, in the amount of \$6,196,514.

This procurement is being funded with Local Operating Funds (100%) from the approved Fiscal Year 2019 budget. Funds for the subsequent fiscal years will be included in the subsequent annual budgets.

On motion by Mr. Pond seconded by Mr. Daniels, the resolution was unanimously approved by a vote of 6 to 0, with 6 members present.

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Resolution Authorizing Award of a Contract for Procurement of Cummins Engine Exchange Program, IFB B41702

Mr. Taylor presented a resolution authorizing the General Manager/CEO or his delegate to enter into a contract with Cummins, Inc. for a five (5) year base term in the amount of \$16,964,649.06.

This procurement is being funded with Local Capital Funds (100%) from the approved fiscal year 2019 budget. Funds for the subsequent fiscal years will be included in the subsequent annual budgets.

Cummins is the only transit bus manufacturer in the United States. MARTA transit buses use Cummins Engines for motive power. This contract will supply 282 CNG engines for New Flyer buses which have reached midlife mileage (250,000 miles). The specified engines will have the latest emissions technology and are designated as "Near Zero" emissions engines. Since these are new to the engine market, remanufactured engines are currently unavailable. New Flyer, the bus manufacturer, offers this engine in new buses and has approvals from Cummins for installation into existing buses.

Mr. Daniels said with MARTA buses reaching midlife in four (4) years instead of six (6) years, how does the Authority plan to reach twelve (12) years without purchasing a new fleet of engines and transmissions in eight (8) years.

Mr. Taylor said once the buses reach the eight (8) to nine (9) year mark and achieve 500,000 miles, an extended life program will take place. The extended life program will allow MARTA to briefly discontinue service of that bus and install a remanufactured transmission to reach the twelve (12) year life span.

Mr. Daniels asked what is the cost difference to replace engine components verses preparing a bus for the midlife state.

Mr. Taylor said to replace engine and transmission components it cost approximately \$60,000 to \$80,000 per bus and approximately \$120,000 per bus for midlife.

Mr. Daniels asked what is the cost to purchase a new bus.

Mr. Taylor said a new forty-foot bus cost approximately \$550,000 to \$560,000 and approximately \$800,060 to \$800,070 for an articulated bus.

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Mr. Floyd asked did the previous Cummins engines reach 250,000 miles.

Mr. Taylor said due to the design of the aluminum pistons not all buses reached the 250,000-mile mark.

Mr. Floyd asked are the engines fueled with diesel and natural gas.

Mr. Taylor said the 265-bus fleet is strictly fueled with natural gas.

Mr. Floyd asked can the buses be converted to electric buses.

Mr. Taylor replied no, natural gas vehicles cannot be switched to electrical buses.

Mr. Floyd asked do the buses hold value after twelve (12) years.

Mr. Taylor said after twelve (12) years, buses hold little value.

On motion by Mr. Daniels seconded by Ms. Abdul-Salaam, the resolution was unanimously approved by a vote of 6 to 0, with 6 members present.

Briefing – MARTA Natural Gas Supply Program

Mr. Taylor introduced Megan Morello from GDS Associates who presented an overview of MARTA's natural gas.

There are two (2) major components of MARTA's natural gas usage.

- Bus fleet (largest)
- Facilities (for heating buildings)

Natural Gas Cost

- Bus fleet – (Perry, Laredo, Hamilton) approximately \$4.7M
- Facilities – (27 accounts) approximately \$400,000

Natural Gas Supply Chain

Natural gas is produced and distributed through interstate pipelines to the city gate. At that point, Atlanta Gas Light (AGL) becomes the owner. Unlike Georgia's electricity market, there are multiple suppliers who distribute natural gas. Once a gas supplier is selected, the supplier is responsible for delivering and managing natural gas from the production field to MARTA. The price for commodity (physical natural gas) is the same for all bidders – NYMEX (publicly traded market price). Other costs are AGL passthroughs and the same for all bidders. Only the supplier's MARGIN or adder is what's competitively bid.

Delivered Cost to MARTA = NYMEX + AGL + MARGIN

Mr. Daniels asked if natural gas was purchased for future contracts or as MARTA uses it.

Ms. Morello said in past contracts, natural gas was purchased in two (2) year periods. However, this contract bids to add a one (1) year extension which would save MARTA approximately \$50,000 a year.

Resolution Authorizing Award of a Contract for the Procurement of MARTA Natural Gas Supply, IFB B42422

Mr. Taylor presented a resolution authorizing the General Manager/CEO or his delegate to enter into a contract for the procurement of MARTA Natural Gas Supply, with Group 1, Mansfield Power & Gas, LLC and Gas South, LLC., and Group 2, Mansfield Power and Gas, LLC and True Natural Gas. The contract would be a two (2) year base term with one (1) year option in the amount of \$16,225,928.22.

On motion by Mr. Pond seconded by Ms. Abdul-Salaam, the resolution was unanimously approved by a vote of 6 to 0, with 6 members present.

Resolution Authorizing Award of a Single Source Contract for Procurement of Supplemental Mobility Operations and Maintenance Services, Contract # P34324

Mr. Young presented a resolution authorizing the General Manager/CEO or his delegate to enter into a single source contract with Gresham Transportation

Services, LLC for the procurement of supplemental mobility operations and maintenance services.

This contract is a fixed price contract for a term of four (4) years with an additional one (1) year option to extend the term in the amount of \$38,977,318.41. The Department of Internal Audit is currently conducting a price analysis. The Office of Diversity and Inclusion did not assign a Disadvantaged Business Enterprise goal on this single source contract. However, Gresham Transportation Services, LLC is a 100% self-performing Disadvantaged Self-Enterprise.

Mr. Daniels asked how would \$38,977,318.41 be administrated over the three (3) year option in the contract.

Mr. Young said \$38,977,318.41 will cover approximately 126,900 revenue hours of service for staff, operators training and maintenance functions of the vehicles.

Mr. Daniels asked for a detailed description of GTS responsibility in the contract.

Mr. Young said he will provide quarterly updates on all of MARTA's services listing supplier's responsibility.

On motion by Ms. Abdul- Salaam seconded by Mr. Floyd, the resolution was unanimously approved by a vote of 6 to 0, with 6 members present.

Resolution Authorizing a Modification of Mobility Operations and Maintenance Services with MV Transportation, Contract # P34324

Mr. Young presented a resolution authorizing the General Manager/CEO or his delegate to enter into a modified contract with MV Transportation Services.

This procurement is being funded with 100% Local Operating Funds with the current contract value of: \$116,866,699.18, seeking to increase the contract by \$1,001,241.00.

MARTA and MV Transportation, Inc. ("MV") entered into a contract for Mobility Operations and Maintenance Services Contract P34324 ("Contract P34324") on March 4, 2016.

Additionally, simultaneously with this amendment, MARTA anticipates entering into a supplemental Mobility Operations and Maintenance Services contract with

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Gresham Transportation Services, LLC (GTS) for the provision of mobility services, excluding certain scheduling dispatch and related functions.

The contract with MV Transportation, Inc. includes all services to operate the program including dispatch, scheduling, operations and maintenance.

The staff recommends having MV Transportation, Inc. support MARTA by providing the scheduling, dispatch and related functions to GTS (on behalf of MARTA). This will minimize disruption to the service and allow MARTA staff to efficiently monitor the GTS and MV contracts.

The additional services will be incorporated in the existing MV contract at a fixed price contract for a term of one (1) year with an additional one (1) year option to extend the term.

MARTA staff is requesting additional funds in the amount of \$1,001,241.00 to retain supplemental Contractor services for additional mobility operations and maintenance and amend the contract for provision of adding third-party providers to service the Authority's patrons. Following the approval by the Board of Directors, MARTA will modify the Contract to reflect an increase in the contract amount.

Mr. Daniels asked how will dispatch utilize GTS in the future.

Mr. Young said similar to fixed routes, MARTA will create quarterly mark-ups that will identify specific routes needing coverage. Going forward, a second mobility facility will be installed to analyze origins and destinations during the beginning and ending of each shift.

Mr. Pond asked if \$116,866,699.18 was the net cost after deducting 126,900 revenue hours.

Mr. Young said the \$116,866,699.18 is the original amount listed within the contract.

Mr. Pond asked if there's an additional cost for dispatch services.

Mr. Young said yes, an additional cost of \$1,001,241.00 would be added to the contract.

Mr. Pond said the level of detail provided in this contract is less than what the Board usually views.

Mrs. Hardage said the Board would like to view a detailed description of how the funds will be utilized before Board members cast a vote.

Mrs. Hardage moved to approve pending the Board receiving requested information prior to the March 14, 2019 Board meeting. Mr. Daniels seconded. Board members unanimously approved by a vote of 6 to 0 with 6 members present.

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Adjournment

The meeting of the Operations Committee adjourned at 11:45 a.m.